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BEFORE THE ARIZONA POWER PLANT AND  
TRANSMISSION LINE SITING COMMITTEE

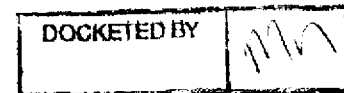
IN THE MATTER OF THE APPLICATION OF  
ARLINGTON VALLEY SOLAR ENERGY, LLC, IN  
CONFORMANCE WITH THE REQUIREMENTS OF  
ARIZONA REVISED STATUTES §§ 40-360.03 AND 40-  
360.06 *et seq.* FOR A CERTIFICATE OF  
ENVIRONMENTAL COMPATIBILITY AUTHORIZING  
CONSTRUCTION OF THE ARLINGTON VALLEY  
SOLAR ENERGY ("AVSE") PROJECT, AN  
APPROXIMATELY 125 MW SOLAR GENERATING  
FACILITY LOCATED IN PORTIONS OF SECTIONS 20,  
21 AND 28, WITH ASSOCIATED SWITCHYARDS  
AND GEN-TIE LINES INTERCONNECTING FROM  
THE AVSE PROJECT SITE TO THE EXISTING  
HASSAYAMPA SWITCHYARD LOCATED IN  
SECTION 15, ALL IN TOWNSHIP 1 SOUTH, RANGE 6  
WEST, MARICOPA COUNTY, ARIZONA.

Docket No. L-00000PP-09-0548-00153

Case No. 153

Arizona Corporation Commission  
**DOCKETED**

JAN 19 2010



IN THE MATTER OF THE APPLICATION OF  
ARLINGTON VALLEY SOLAR ENERGY II, LLC, IN  
CONFORMANCE WITH THE REQUIREMENTS OF  
ARIZONA REVISED STATUTES §§ 40-360.03 AND 40-  
360.06 *et seq.* FOR A CERTIFICATE OF  
ENVIRONMENTAL COMPATIBILITY AUTHORIZING  
CONSTRUCTION OF THE ARLINGTON VALLEY  
SOLAR ENERGY II ("AVSE II") PROJECT, AN  
APPROXIMATELY 125 MW SOLAR GENERATING  
FACILITY LOCATED IN PORTIONS OF SECTIONS 25,  
26, 27, 35 AND 36, AND ASSOCIATED  
SWITCHYARDS AND GEN-TIE LINES  
INTERCONNECTING FROM THE AVSE PROJECT  
SITE TO THE EXISTING HASSAYAMPA  
SWITCHYARD LOCATED IN SECTION 15, ALL IN  
TOWNSHIP 1 SOUTH, RANGE 6 WEST, MARICOPA  
COUNTY, ARIZONA.

Docket No. L-00000QQ-09-0549-00154

Case No. 154

RECEIVED  
2010 JAN 19 P 4:27  
ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

NOTICE OF FILING


Applicant's Proposed Draft Form of Certificate

Case No. 154

1 Pursuant to Chairman Foreman's procedural order dated December 8, 2009,  
2 Applicant, Arlington Valley Solar Energy, LLC hereby provides notice of filing the attached  
3 proposed draft Certificate of Environmental Compatibility with Findings of Fact and  
4 Conclusions of Law for consideration in the above-captioned Case 154.

5 RESPECTFULLY SUBMITTED this 19 day of January, 2010.

6 MOYES SELLERS & SIMS

7  
8   
9 Jay I. Moyes  
10 1850 N. Central Avenue, Suite 1100  
Phoenix, Arizona 85004  
(602) 604-2141

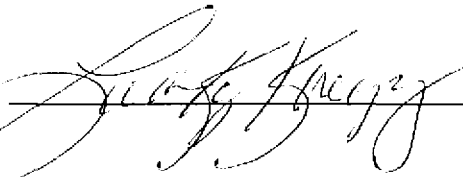
11 ORIGINAL & 25 copies of the  
12 Foregoing were filed with Docket  
Control on the 19<sup>th</sup> day of January, 2010.

13 Copies were hand-delivered the 19<sup>th</sup>  
14 day of January, 2010, to:

15 John Foreman, Chairman  
16 Arizona Power Plant and Transmission  
Line Siting Committee  
17 1275 W. Washington  
Phoenix, AZ 85004

18 Janice Alward, Esq.  
19 Legal Division  
Arizona Corporation Commission  
20 1200 W. Washington  
Phoenix, AZ 85007

21 Arizona Reporting Service  
22 2200 N Central Avenue #502  
Phoenix, AZ 85004

23  
24   
25

1                                   **APPLICANT'S FIRST PROPOSED DRAFT 1-19-10**

2                                   **BEFORE THE ARIZONA POWER PLANT AND**  
3                                   **TRANSMISSION LINE SITING COMMITTEE**

4  
5 IN THE MATTER OF THE APPLICATION OF  
6 ARLINGTON VALLEY SOLAR ENERGY, LLC, IN  
7 CONFORMANCE WITH THE REQUIREMENTS OF  
8 ARIZONA REVISED STATUTES §§ 40-360.03 AND 40-  
9 360.06 *et seq.* FOR A CERTIFICATE OF  
10 ENVIRONMENTAL COMPATIBILITY AUTHORIZING  
11 CONSTRUCTION OF THE ARLINGTON VALLEY  
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13 APPROXIMATELY 125 MWSOLAR GENERATING  
14 FACILITY LOCATED IN PORTIONS OF SECTIONS 20,  
15 21 AND 28, WITH ASSOCIATED SWITCHYARDS  
16 AND GEN-TIE LINES INTERCONNECTING FROM  
17 THE AVSE PROJECT SITE TO THE EXISTING  
18 HASSAYAMPA SWITCHYARD LOCATED IN  
19 SECTION 15, ALL IN TOWNSHIP 1 SOUTH, RANGE 6  
20 WEST, MARICOPA COUNTY, ARIZONA.

**Docket No.L-00000PP-09-0548-00153**

**Case No. 153**

21  
22 IN THE MATTER OF THE APPLICATION OF  
23 ARLINGTON VALLEY SOLAR ENERGY II, LLC, IN  
24 CONFORMANCE WITH THE REQUIREMENTS OF  
25 ARIZONA REVISED STATUTES §§ 40-360.03 AND 40-  
360.06 *et seq.* FOR A CERTIFICATE OF  
ENVIRONMENTAL COMPATIBILITY AUTHORIZING  
CONSTRUCTION OF THE ARLINGTON VALLEY  
SOLAR ENERGY II ("AVSE II ") PROJECT, AN  
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FACILITY LOCATED IN PORTIONS OF SECTIONS 25,  
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TOWNSHIP 1 SOUTH, RANGE 6 WEST, MARICOPA  
COUNTY, ARIZONA.

**Docket No. L-00000QQ-09-0549-00154**

**Case No. 154**

23                                   **CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY**

24  
25                                   **Case No. 154: AVSE II**

1 Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission  
2 Line Siting Committee (the "Committee") held public hearings on January 26 and 27, 2010, in  
3 conformance with the requirements of Arizona Revised Statutes ("A.R.S.") §§ 40-360, *et seq.*,  
4 for the purpose of receiving evidence and deliberating on the Application of **Arlington Valley**  
5 **Solar Energy II, LLC** ("Applicant") for a Certificate of Environmental Compatibility  
6 ("Certificate") in the above-captioned Case No.154.

7 The following members and designees of members of the Committee were present at one  
8 or more of the hearings for the evidentiary presentations and/or for the deliberations:

9 John Foreman	Chairman, Designee for Arizona Attorney General Terry Goddard
10 Paul Rasmussen	Designee for Director, Arizona Department of Environmental Quality
11 Gregg Houtz	Designee for Director, Arizona Department of Water Resources
12	
13 Jessica Youle	Designee for Director, Energy Office, Arizona Department of Commerce
14	
15	
16 David Eberhart	Designee for Chairman, Arizona Corporation Commission
17	
18 Michael Biesemeyer	Appointed Member
19 Jeff McGuire	Appointed Member
20 Patricia Noland	Appointed Member
21 Michael Palmer	Appointed Member
22 Michael Whalen	Appointed Member
23 Barry Wong	Appointed Member

24 Applicant was represented by Jay Moyes and Steve Wene of Moyes Sellers & Sims,  
25 Ltd.

1 [\_\_\_\_\_, represented by \_\_\_\_\_],  
2 was granted intervention pursuant to A.R.S. § 40-360.05 and Rule R-14-3-204 of the  
3 Arizona Administrative Code.]

4 At the conclusion of the hearings, the Committee, having received the Application,  
5 the appearances of the parties, the evidence, testimony, and exhibits presented at the  
6 hearings, and being advised of the legal requirements of A.R.S. §§ 40-360 to 40-360.13,  
7 upon motion duly made and seconded, voted \_\_\_\_\_ to \_\_\_\_\_ to grant Applicant this  
8 Certificate of Environmental Compatibility (Case No. 153) for the below-described Project.

9 The Project as approved consists of an up to 125 Megawatt (MW) nominal net  
10 output solar generating facility (the "Generation Facility") together with associated 115kV  
11 and 500kV switchyards and 115 kV and 500 kV gen-tie electric lines (collectively, the  
12 "Gen-tie Facilities") to interconnect the Generation Facility to the existing Hassayampa  
13 500kV switchyard and the electric transmission grid. (The Generation Facility and the Gen-  
14 tie Facilities collectively constitute the "Project"). The Committee acknowledges that  
15 Applicant has proposed that the Generation Facility utilize either (1) Photovoltaic (PV)  
16 solar technology, or (2) concentrating solar thermal (CSP) technology, and further that, if  
17 CSP technology is selected, the Generation Facility may, at Applicant's option in order to  
18 better serve requirements of Applicant's potential customer(s), include equipment to  
19 provide firming generation capability during limited peak electric demand periods when  
20 solar radiation is insufficient, utilizing either (i) solar thermal storage (STS) technology or  
21 (ii) natural gas co-firing technology. Pursuant to the jurisdiction of the Committee over the  
22 proposed CSP option Generating Facility and the proposed Gen-tie Facilities, expressly  
23 granted under A.R.S. § 40-360 (9) and (10), this Certificate expressly authorizes  
24 construction of the Project using the CSP option, with or without either the STS option or  
25 the natural gas co-firing option for firming generation capability, but does not mandate the  
selection of any of such options for the Generating Facility. The Generating Facility will be  
located on approximately [1160] acres comprising portions of Sections 25, 26, 27, 35 and  
36 of Township 1 South, Range 6 West, G&SRB&M, Maricopa County, Arizona.

1 Applicant may utilize either one of, or portions of, either alternative corridor for the final  
2 location and construction of the Gen-tie Facilities, as identified on the location map of the  
3 Project set forth in **Exhibit A [Figure 4-16]** to this Certificate; and may use a combination  
4 of single and/or double circuit principal structures and configurations approximately of the  
5 types and sizes represented by the drawings attached as **Exhibit B [Figure G-3]** to this  
6 Certificate, using overhead and/or underground configurations as feasible to make the  
7 necessary incidental crossings of existing transmission lines, all to be determined by  
8 Applicant after due consultation with the affected existing transmission line owners and in  
9 accordance with sound engineering principles, governing interconnection standards and  
10 applicable safety and reliability standards.

#### 11 CONDITIONS

12 This Certificate is granted upon the following conditions:

- 13 1. These conditions shall apply to Applicant, its successor(s) and assignee(s).  
14 **[Chairman; Case 150 – (Starwood)]**
- 15 2. Applicant shall obtain all required approvals and permits required by the United  
16 States, the State of Arizona, the County of Maricopa, and any other  
17 governmental entities having jurisdiction necessary to construct the Project.  
18 **[Chairman; 150]**
- 19 3. Applicant shall comply with all existing applicable statutes, ordinances, master  
20 plans, county comprehensive plans, and regulations of the State of Arizona,  
21 Maricopa County, the United States, and any other governmental entities  
22 having jurisdiction over the construction and operation of the Project.  
23 **[Chairman; 145 – Agua Caliente]**
- 24 4. This authorization to construct the Project shall expire seven years from the date  
25 the Certificate is approved by the Commission; provided, however, that prior to  
such expiration Applicant may request that the Commission extend this time  
limitation. **[145]**

- 1           5. In the event that the Project requires an extension of the term of this Certificate,  
2           Applicant shall use *commercially reasonable means to directly notify by first*  
3           class mail all landowners and residents within one mile of the Project Site, and  
4           all persons who made public comment at this proceeding, of the date, time and  
5           place of the proceeding in which the Commission shall consider such request for  
6           extension. **[Chairman; 145]**
- 7           6. Applicant shall comply with the most current Western Electricity Coordinating  
8           Council/North American Electric Reliability Corporation planning standards as  
9           approved by the Federal Energy Regulatory Commission, and National Electrical  
10          Safety Code construction standards. **[Chairman; 150]**
- 11          7. Applicant shall comply with the notice and salvage requirements of the Arizona  
12          Native Plant Law (A.R.S. §§ 3-901, et seq.) and shall, to the extent feasible,  
13          minimize the destruction of native plants during Project construction.  
14          **[Chairman; 150]**
- 15          8. If any archaeological, paleontological or historical site or object that is at least  
16          fifty years old is discovered on state, county or municipal land during Project-  
17          related activities, the person in charge shall promptly report the discovery to the  
18          Director of the Arizona State Museum and, in consultation with the Director,  
19          shall immediately take all reasonable steps to secure and maintain the  
20          preservation of the discovery, as required by A.R.S. § 41-844. **[Chairman; 150]**
- 21          9. If human remains and/or funerary objects are encountered on private land  
22          during the course of any ground-disturbing activities relating to the  
23          development of the subject property, Applicant shall cease work on the affected  
24          area of the Project and notify the Director of the Arizona State Museum as  
25          required by A.R.S. § 41-865. **[Chairman; 150]**
10. Applicant shall follow any published guidelines adopted by the Arizona Game  
          and Fish Department or the United States Fish and Wildlife Service for handling  
          contacts during the construction and operation of the Project with any species  
          designated as endangered. Applicant shall also follow any published and  
          adopted guidelines for handling contacts with any species of greatest

1 conservation need as designated by the Arizona Game and Fish Department. If  
2 no published and adopted guidelines exist, Applicant shall use reasonable care to  
3 avoid any harm to individuals of the designated species. If the avoidance of  
4 harm to individuals is not possible, Applicant shall contact the Arizona Game  
5 and Fish Department and the United States Fish and Wildlife Service to obtain  
6 any applicable permits and appropriate guidance for removing the individual  
members of the species contacted from the area of the Project. **[Chairman; 150]**

- 7 11. Before construction on the Gen-tie Facilities' transmission lines may commence,  
8 Applicant shall file a construction mitigation and restoration plan ("Plan") with  
9 ACC Docket Control. Where practicable, the Plan shall specify Applicant's plans  
10 for construction access and methods to minimize impacts to wildlife and to  
11 minimize vegetation disturbance outside of the Gen-tie Facilities right-of-way  
12 particularly in drainage channels and along stream banks, if any, and to re-  
13 vegetate, unless waived by the landowner, native areas of construction  
14 disturbance to their preconstruction state outside of transmission line right of way  
15 after construction has been completed. The Plan shall specify Applicant's plans  
16 for coordination with the Arizona Game and Fish Department and the State  
17 Historic Preservation Office. Applicant shall use existing roads for construction  
18 and access where practicable and the Plan shall specify the manner in which  
19 Applicant makes use of existing roads. **[Chairman; 150]**
- 20 12. Within 120 days of the Commission decision granting this Certificate, Applicant  
21 will erect and maintain at the Generation Facility site a sign of not less than 4  
22 feet by 8 feet dimensions. Applicant will also post signs in public rights-of-way,  
23 to the extent authorized by law, giving notice of the Gen-tie Facilities locations.  
24 Applicant shall place signs in prominent locations at reasonable intervals such  
25 that the public is notified along the full length of the corridors until the Gen-tie  
Facilities are constructed. Such signage shall be no smaller than a normal  
roadway sign. All of the above-required signs shall advise:
- (a) That the site has been approved for the construction of Project facilities;
  - (b) The expected date of completion of the Project facilities;
  - (c) A phone number for public information regarding the Project;

- 1 (d) The name of the Project;
- 2 (e) The name of the Applicant; and
- 3 (f) The website of the Project **[Chairman; 150 – w/ conforming modification]**
- 4 13. Applicant shall design the Gen-tie Facilities to incorporate reasonable measures to
- 5 minimize impacts to raptors. **[Chairman; 150]**
- 6 14. Applicant shall use non-specular conductor and dulled surfaces for the Gen-Tie
- 7 Facilities' structures. **[Chairman; 150]**
- 8 15. In connection with the construction of the Project, Applicant shall use
- 9 commercially reasonable efforts, where practicable and consistent with
- 10 applicable equal opportunity employment –type laws and regulations, to
- 11 encourage its EPC contractor(s) to use qualified Maricopa County and Arizona
- 12 legal resident contractors and laborers. **[ 145, modified]**
- 13 16. Applicant shall provide copies of this Certificate to the Maricopa County Department
- 14 of Development Services, the Arizona State Land Department, the State Historic
- 15 Preservation Office, and the Arizona Game and Fish Department. **[Chairman; 150]**
- 16 17. Prior to the date construction commences on the Project, Applicant will provide
- 17 known homebuilders and developers of record within one mile of the Project the
- 18 identity, location, and a pictorial depiction of the type of power plant being
- 19 constructed, accompanied by a written description, and encourage the developers
- 20 and homebuilders to include this information in the developers' and homebuilders'
- 21 homeowners' disclosure statements. **[Chairman; 150]**
- 22 18. Applicant shall submit a self-certification letter annually, identifying progress
- 23 made with respect to each condition contained in the Certificate, including which
- 24 conditions have been met. Each letter shall be submitted to the Commission
- 25 Docket Control on or before December 1, beginning in 2011. Attached to each
- certification letter shall be documentation explaining how compliance with each
- condition was achieved. Copies of each letter along with the corresponding
- documentation shall be submitted to the Arizona Attorney General and Department
- of Commerce Energy Office. The requirement for the self-certification shall expire
- on the date the Project is placed into operation. **[Chairman; 150]**

- 1 19. If Applicant selects the CSP technology for the Generation Facility, Applicant shall  
2 submit by March 31, on an annual basis commencing on the first March 31  
3 following commercial operation of the Project, in addition to the other reports  
4 required by applicable law with respect to the Type 1 Non-irrigation Grandfathered  
5 Rights, a report to the Commission Docket Control and the Arizona Department of  
6 Water Resources that identifies the amount of water used for operation of the  
7 Project in the previous calendar year. [145]
- 8 20. If Applicant selects the CSP technology for the Generation Facility, Applicant shall  
9 enter into a land subsidence monitoring agreement with the Arizona Department of  
10 Water Resources. [Chairman; 150]
- 11 21. Applicant shall obtain and comply with the applicable air quality permit(s) and all  
12 air emissions regulations of the Maricopa County Air Quality Control Department,  
13 Arizona Department of Environmental Quality, and United States Environmental  
14 Protection Agency.
- 15 22. Applicant shall allow and provide for joint ownership and/or use of the authorized  
16 new 115kV—500kV Switchyard and 500kV interconnection transmission line  
17 components of the Gen-tie Facilities (the “500kV Components”) by the party who  
18 holds a Certificate of Environmental Compatibility issued in Case No. 153 which  
19 authorizes the same 500kV Components; or, alternatively (as the case may be)  
20 Applicant will acquire from that party such interest in those 500kV components that  
21 may have already been constructed pursuant to Case No. 153, all as may be  
22 necessary under either scenario to facilitate the ultimate full development and  
23 operation of both the solar generation Project contemplated in this Case No. 154  
24 and the related solar generation project contemplated in Case No. 153, depending  
25 upon which is first constructed; and it is acknowledged that such 500kV  
Components are approved as a single facility common to both projects and their  
respective certificates, and are not intended to be nor authorized to be constructed in  
duplicate.

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## **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

This Certificate incorporates the following findings of fact and conclusions of law:

1. The Committee has the jurisdiction to approve or deny this Application for a Certificate to build the proposed Generating Facility using CSP technology, but the Committee makes no determination of its jurisdiction to approve or deny an application for a Certificate to build a photovoltaic electrical generating facility. A.R.S. § 40-360 (9).
2. Taking into consideration the factors listed in A.R.S. § 40-360.06 and 360.07, the photovoltaic electrical generating facility option would have an environmental impact similar to or less than the CSP technology Generating Facility approved in this Certificate.
3. The addition of the Generation Facility's clean energy production will offset the need for fossil-fueled generation that would otherwise produce over one hundred thousand tons per year of greenhouse gas emissions in the western United States.
4. The Gen-tie Facilities are required for the operation of the Generation Facility regardless of which Generation Facility technology option is constructed.
5. The Project will help the economy of Maricopa County and the state.
6. The Project will help meet the goal of advancing solar energy production in the state.
7. The conditions placed on this Certificate by the Committee effectively minimize the Project's impact on the environment and ecology of the state.

